

APPROVED
BY ORANGE COUNTY BOARD
OF COUNTY COMMISSIONERS
APR 10 2007 *WHBS*

RESOLUTION
of the
**ORANGE COUNTY BOARD OF COUNTY
COMMISSIONERS**
regarding
**MITSUBISHI POWER SYSTEMS AMERICAS, INC.
QUALIFIED TARGET INDUSTRY TAX REFUND**

Resolution No. 2007-M-12

PREMISES

WHEREAS, in 1994, the Florida legislature passed legislation establishing a “Qualified Target Industry Tax Refund Program” (“QTI Program”) to encourage the creation of new high-wage job opportunities in Florida by providing “tax refunds” to qualified target industries; and

WHEREAS, the headquarters of Mitsubishi Power Systems Americas, Inc. (“Mitsubishi”) was established in Lake Mary, Florida in April 2001 as a subsidiary of Mitsubishi Heavy Industries, Ltd., a diversified global company with more than \$25 billion in annual revenues and more than 40,000 employees worldwide; and

WHEREAS, Mitsubishi serves as the local nexus for the sales and service of electrical power generating equipment and systems in the Western Hemisphere; and

WHEREAS, with assistance from Orange County through the QTI Program, Mitsubishi opened its Orlando Service Center in 2002 in unincorporated Orange County at 2287 Premier Row in Orlando Central Park; and

WHEREAS, the Orlando Service Center repairs, services, and manufactures replacement parts for power plant equipment in the United States, Canada, and Latin America, and operates a state-of-the-art monitoring system that tracks the performance of power plants throughout the Western Hemisphere; and

WHEREAS, it is the desire of Mitsubishi to enhance its current capabilities and also add manufacturing capacity at its Orlando Service Center, which would represent an investment of approximately \$64,500,000 added to the Orange County tax roll; and

WHEREAS, expansion of the Orlando Service Center would create approximately two hundred twenty-five (225) new jobs at an average salary of at least \$54,200, which is 150% of the prevailing salary of \$36,127 in Orange County ; and

WHEREAS, Mitsubishi anticipates that the new jobs to be created will include approximately thirty (30) management and administrative positions, forty-three (43) engineering and professional positions, and one-hundred fifty-two (152) production positions, and also anticipates that the average salary within each of these categories will be above the prevailing wage in Orange County; and

WHEREAS, Mitsubishi anticipates that these new jobs will be created according to the following schedule: fifty (50) jobs by December 31, 2008; eighty-nine (89) jobs by December 31, 2011; and eighty-six (86) jobs by December 31, 2014; and

WHEREAS, Mitsubishi has applied to the Executive Office of the Governor, Office of Tourism, Trade, and Economic Development for approval as a qualified QTI Program applicant, and has applied for \$900,000 in tax refunds from the State of Florida under the QTI Program, representing \$4,000 per job; and

WHEREAS, in order for Mitsubishi to be approved as a “qualified applicant” under the QTI Program, the Orange County Board of County Commissioners must adopt a resolution recommending the approval of Mitsubishi as a “target industry business,” and committing “local financial support” in an amount equal to 20% of the annual tax refund up to but not exceeding \$180,000 over the course of Mitsubishi’s eligibility as a “qualified applicant”; and

WHEREAS, competition for Mitsubishi exists outside of Florida and in Japan, and financial incentives are necessary to ensure that this project comes to Orange County.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY:

Section 1. The Board of County Commissioners of Orange County, Florida, hereby recommends that the State of Florida Office of Tourism, Trade, and Economic Development approve Mitsubishi as a “qualified applicant” under the QTI Program.

Section 2. Subject to the terms of this Resolution, the Board hereby approves payments up to, but not exceeding, one hundred eighty thousand dollars (\$180,000) as the “local financial support” required under the QTI Program. Such amount shall be payable to the Economic Development Incentives Account within the Economic Development Trust Fund as specified herein.

Section 3. The Board’s promise to pay the amount specified in this Resolution is contingent upon (i) appropriation by the Board in each applicable year authorizing payment of the revenues hereunder, (ii) Mitsubishi receiving the designation as a “qualified applicant” in connection with the QTI program, and (iii) on an annual basis, award by the State of Florida of tax refunds under the QTI program.

Section 4. Unless provided otherwise in this Resolution, the County shall pay “local financial support” in the following amounts:

FY 2009-2010	\$ 10,000
FY 2010-2011	\$ 10,000
FY 2011-2012	\$ 10,000
FY 2012-2013	\$ 27,800
FY 2013-2014	\$ 17,800
FY 2014-2015	\$ 17,800
FY 2015-2016	\$ 35,000
FY 2016-2017	\$ 17,200
FY 2017-2018	\$ 17,200
FY 2018-2019	\$ 17,200
Total	<u>\$180,000</u>

Such sums shall be paid from any legally available source or sources of revenue other than those specified in the QTI Program (or rules promulgated thereunder) as being ineligible for such purpose.

Section 5. In the event Mitsubishi is approved by the State of Florida for tax refunds in an amount less than the \$900,000 requested, the “local financial support” to be paid by the County to the Economic Development Incentives Account shall be proportionately reduced so that at no time will the County contribution exceed twenty percent (20%) of the annual tax refund awarded to Mitsubishi under the QTI Program.

Section 6. This Resolution shall take effect upon receipt by the County of evidence that Mitsubishi has been approved as a “qualified applicant” and has become eligible for tax refunds under the QTI program, as described herein.

ADOPTED THIS 10th DAY OF APRIL 2007.

ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

BY: Richard T. Crotty
Richard T. Crotty
County Mayor

ATTEST: Martha O. Haynie, County Comptroller
As Clerk to the Board of County Commissioners

BY: Martha O. Haynie
Deputy Clerk

